

Congress of the United States
House of Representatives

May 3, 2011

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Genachowski:

I am writing you regarding the Notice of Proposed Rulemaking, FCC 11-13, which seeks comments on how it may effectively reduce inefficiencies and waste by curbing opportunities for arbitrage and cost avoidance within the current intercarrier compensation rules and regulations.

I encourage the FCC to act promptly to address the issues of intercarrier compensation obligations for Voice Over Internet Protocol (VoIP) traffic and phantom traffic. Facilities based providers incur significant capital and operational expenses to maintain the networks over which all types of traffic, including VoIP, are delivered. It is extremely important that they receive compensation for terminating traffic on their networks.

I urge the FCC to confirm once and for all that under existing law, interconnected VoIP traffic is subject to the same intercarrier compensation rules and the same access charge obligations as any other voice traffic terminating on the Public Switched Telecommunications Network (PSTN). Current access charges must be applicable to all traffic terminated on the PSTN. There should be no exceptions based on regulatory classification or differences in technology.

Phantom traffic, likewise, is a serious, recurring problem requiring immediate attention. The FCC can promptly reduce phantom traffic by adopting call signaling rules and enforcement mechanisms. It is imperative that terminating providers receive detailed call information that identifies the entities financially responsible for intercarrier compensation.

The FCC rules will be effective only if they are accompanied by sanctions for non-compliance. If the call information fails to contain the required identifying data set by the FCC, the terminating carrier must be allowed to assess its highest intercarrier compensation rate to the service provider delivering the traffic.

Sincerely,



Denny Rehberg
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION

JULIUS GENACHOWSKI
CHAIRMAN

November 17, 2011

The Honorable Denny Rehberg
U.S. House of Representatives
2448 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Rehberg:

Thank you very much for your letters regarding the Commission's efforts to reform and modernize the Universal Service Fund (USF) and the intercarrier compensation system (ICC). Your thoughts and concerns were a valuable contribution to our process, and were considered as part of the Commission's deliberations.

On October 27, after many years of hard work on Capitol Hill, among the FCC's Commissioners, and by Commission staff, the Commission unanimously adopted a comprehensive Order overhauling the broken and backward-looking USF and ICC systems for the Internet age. By transitioning these programs to the Connect America Fund, we are delivering on our shared national goal of universal voice and broadband service – including universal mobile voice and broadband service – and enabling increased private sector investment in the indispensable infrastructure of the 21st century: broadband. Importantly, our reforms are fiscally responsible, eliminating waste and inefficiency, using market-based mechanisms to target support where it is needed, and putting the Fund on a firm budget.

The Commission's Order will create jobs beginning in 2012, and lay the foundation for enduring job creation, economic growth, and U.S. global competitiveness for years to come.

For your information, I am enclosing a copy of the Order's "Executive Summary." Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to be "J. Genachowski", is written over a horizontal line. Below the signature, the name "Julius Genachowski" is printed in a serif font.

Julius Genachowski

Enclosure